



Morning Alert - Friday, April 21, 2017

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HEADLINES

Morning News

NHK and NTV gave top play to reports on a shooting incident on the Champs-Elysees in Paris on Thursday evening, in which one police officer was killed and two others were wounded. Fuji TV and TV Asahi led with reports that a man was robbed of 380 million yen in cash after withdrawing it from a bank in Fukuoka on Thursday, adding that two South Korean men were taken into custody at Fukuoka Airport for carrying a huge amount of cash on the same night. TBS led with a scandal involving LDP lawmaker Toshinao Nakagawa.

Top stories in national dailies included Japan's hope to maintain agreed-upon tariffs and trade rules in exploring a revised TPP agreement without the U.S. (Nikkei); a plan by Japan Post to report a loss of several hundred billion yen in its FY2016 earnings in connection with its acquisition of an Australian logistics service provider in 2015 (Mainichi, Yomiuri); a GOJ plan to allow taxis in urban areas to offer ride sharing (Asahi); and a robbery of 384 million yen in cash in Fukuoka (Sankei).

INTERNATIONAL

President Trump to visit Asia in November

Asahi wrote that Vice President Pence disclosed during his visit to the ASEAN Secretariat in Indonesia on Thursday that President Trump will participate in an ASEAN leaders' meeting and the East Asia Summit to be held in the Philippines and Vietnam in November. The paper speculated that the President might visit Japan as part of his first Asian tour.

U.S. mulls putting North Korea back on list of terror sponsors

All papers reported on remarks made to the press on Wednesday by Secretary of State Tillerson, during which he indicated that the U.S. is considering reinstating North Korea as a state sponsor of terrorism by saying that the U.S. is evaluating all options. Noting that this was the first time for a top official of the Trump administration to officially mention the possibility of putting North Korea back on the list of state sponsors of terrorism, the papers speculated that it reflects the Trump administration's policy of taking a tough approach toward Pyongyang by applying further pressure. Asahi speculated that the U.S. is hoping to resolve the North Korea issue through diplomacy by applying both economic and diplomatic pressure together with China. Yomiuri conjectured that the Trump administration plans to urge Beijing to do more while ratcheting up its pressure on Pyongyang.

Chief Cabinet Secretary Suga welcomed the remarks by Secretary Tillerson during a press briefing on Thursday. Asahi wrote that according to a GOJ source, the Trump administration has already notified Japan that it is studying the possibility of putting the DPRK back on the list of terror sponsors and Tokyo has expressed support for the idea.

Public interest in North Korean threat increasing

Asahi wrote that public interest in the situation on the Korean Peninsula has been growing as a result of the GOJ's emphasis on coordinated preparations with the U.S. for a possible contingency and enhanced provision of evacuation information. Chief Cabinet Secretary Suga told a press briefing on Thursday that there has been a spike in visits to the Cabinet Secretariat's civil protection portal site, which includes instructions on how to evacuate in the event of an emergency such as a ballistic missile attack. Prime Minister Abe stated at a meeting on the abduction issue on Thursday that Japan has asked the U.S. to provide assistance if it becomes necessary to rescue Japanese abductees from North Korea. Foreign Minister Kishida said at a Lower House Foreign Affairs Committee meeting on Thursday that it is important to coordinate with the U.S. with regard to evacuating Japanese nationals from South Korea in the event of an emergency on the Korean Peninsula. According to a GOJ source, the government is studying the idea of using U.S. military aircraft or vessels to evacuate them in addition to SDF planes and ships.

Japan, Australia agree to increase pressure on North Korea

All papers reported on the 2+2 foreign and defense ministers' meeting between Japan and Australia that was held in Tokyo on Thursday. The two nations agreed to strengthen coordination with the U.S. to apply pressure on North Korea and released a joint statement condemning Pyongyang for its nuclear and missile development. Australian Foreign Minister Bishop told a press conference after the meeting that North Korea's illegal actions violate UNSC resolutions and that more should be done by China to pressure the DPRK.

Prime Minister Abe met separately with Australian Foreign Minister Bishop and Defense Minister Payne at the Kantei on Thursday, during which they discussed such issues as defense cooperation

between Japan and Australia and the importance of freedom of navigation with China's increasing maritime activities in mind.

Abe cancels planned trip to Northern Europe

Yomiuri wrote that the GOJ announced on Thursday that Prime Minister Abe has decided to cancel his planned visit to four Northern European nations in May following his trip to Russia and the UK due to the need to deal with the rising tension over North Korea.

Japanese heavy metal band denied entry into U.S.

Asahi reported this morning that members of the Japanese heavy metal band "Loudness" were denied entry at a Chicago airport on Tuesday, saying that the band has had to cancel their U.S. tour. The paper said a concert venue in Chicago announced on its website that Loudness was unable to enter the U.S. and had to return to Japan "due to the new strict policies the U.S. government has placed on foreigners entering the country." Several other media outlets carried similar stories, saying that although the band members had been able to enter the U.S. in the past with proper invitation letters, immigration officials requested visas this time.

ECONOMY

Japan to seek TPP agreement without U.S. participation

All papers reported on Japan's plan to seek the effectuation of the TPP agreement without U.S. participation. Deputy Prime Minister Taro Aso stated in a speech in New York on Wednesday that discussions by 11 TPP nations on seeking the effectuation of the TPP without the U.S. will begin at an APEC meeting in May. However, Asahi wrote that it will be extremely difficult for the 11 TPP members to effectuate the agreement because the U.S. has already shifted its focus to bilateral trade negotiations. Japan was originally negative about the idea of a TPP agreement without U.S. participation, but has changed its mind out of concern that it will be forced to hold bilateral negotiations with Washington if the discussions at the TPP are completely halted. Mainichi speculated that Tokyo's policy turnaround is aimed at deflecting U.S. pressure to hold bilateral trade talks.

Nikkei wrote that the GOJ plans to discuss the future of the TPP agreement with its TPP partners other than the U.S. based on the idea of maintaining the existing framework. Although it will be necessary to rewrite the accord, Japan hopes to maintain the tariff and trade rules agreed upon under the 12-country framework. Japan plans to convey its desire to maintain the existing framework when representatives of the 11 countries meet in Canada on May 2 and 3 and seek to affirm their unity at a ministerial-level meeting to be held in Vietnam in late May.

U.S. calls on Japan to review state-mandated drug prices

Nikkei wrote that the U.S. has asked Japan to reassess its system of government-set drug prices. The paper wrote that Commerce Secretary Ross apparently made the request in private talks on Wednesday with Health Minister Shiozaki. Although the Finance Ministry and Health Ministry plan to reject the U.S. request by saying drug prices are a domestic issue, it may be taken up for future discussions at the U.S.-Japan Economic dialogue.

Japan posts first trade surplus in six years in FY2016

All Thursday evening papers wrote that the Ministry of Finance announced on Thursday that Japan posted its first trade surplus in six years in fiscal 2016, standing at about 4 trillion yen. This was the first annual surplus since the March 2011 Fukushima nuclear incident, which prompted Japan to import more fossil fuels as most of its nuclear power plants have remained offline amid heightened safety concerns among the public. Exports dropped by 3.5% from a year earlier to 71.52 trillion yen, while imports also dropped 10.2% to 67.52 trillion yen. Japan's exports to the U.S. fell 6.5% to 14.12 trillion yen and imports decreased 4.9% to 7.49 trillion yen. The trade surplus with the U.S. was 6.63 trillion yen, marking a decline for the first time in five years.

